



FINANCIAL TIMES

No. 25,548

Saturday September 4 1971

** 6p

On stream
On time
with Capper-Neill
On site



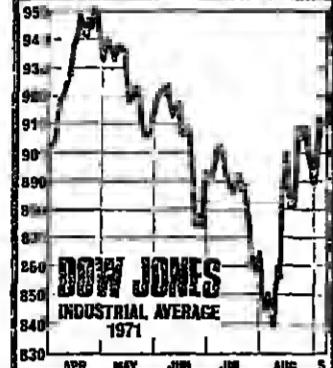
News Summary

GENERAL

BUSINESS

Labour 12-point pro-EEC rise on drive Wall St. opens

WALL STREET advanced strongly over a wide front, with the changed outlook for the



Lord George-Brown opened the Labour for Europe campaign last night with strong reaffirmation that a Labour Government would have accepted the terms for Britain's entry into the Common Market.

He told the first of 11 campaign meetings organised by the Labour Committee for Europe that it was "rubbish" for Labour to reject the terms because there was a Conservative Government. He added: "I am not a cheat and I can assure you that on these terms we would have recommended to go in."

The party's official campaign against entry opens on Wednesday with a Bradford rally to be addressed by Mr. Callaghan. Mr. Roy Jenkins, Mr. Michael Stewart, Mr. George Thompson and Mr. Harold Lever are all scheduled to speak in the Labour pro-market campaign.

Court ruling
The Executive of NALGO, Britain's biggest white-collar union, must not direct its TUC delegation to vote for British entry into the Common Market, a High Court judge ruled yesterday.

Mr. Justice Goulding, after a two-day hearing of an action brought by Lewis branch officers, ordered the Executive to withdraw its direction to the TUC delegates to support a pro-Market resolution and oppose an anti-market one. The decision will ensure success for the anti-Market side who command a majority of votes at the Congress. Back Page

Berlin accord signed

After an acceptable German language text had been produced after another night of argument, the four-power agreement on Berlin was signed in West Berlin yesterday. The first important East-West treaty on Berlin since the war, it lays down the principle of unimpeded access to West Berlin by road, rail and waterway through East German territory. Page 8.

Vietnam poll
South Vietnam Vice-President Nguyen Cao Ky is reported to have given President Thieu two weeks to call off the October 3 Presidential elections, in which he is the only candidate, or risk what could be a confrontation before Mr. and former head of state General Van Minh have withdrawn from the election, although it is rigged. The election is considered crucial to the American stand on Vietnam.

Police board fire trawler
Police boarded the Hull trawler Sirion York when she docked at Grimsby yesterday after reports of attempted fire-raisings on board. Four fires broke out in a short time of each other on ship way of the north-east of Scotland. Skipper Les Hardson immediately headed for Aberdeen.

Copy and places
Macclesfield by-election is set to be held on September 30. Others are due to be held at Stirling and Falkirk on October 16 and Widnes on October 23.

On roads in East Pakistan
so far killed 100 people, according to official reports. Pakistan now has its first governor under President Zulfikar Ali Khan, Dr. Abdul Majeed.

Military leaders are being invited to Spain to discuss the situation in Bangladesh after a deal contracted the

General paper.

Overseas
A schoolboy David Goss, 10, level passed his horror film sub-General paper.

Companies

Kleen Industrial Holdings

expect a satisfactory growth in

confidence with the new treaty of

Britain. Page 12.

CHANGES
unless otherwise stated

AL

1971 + 1

11 + 13

103 + 6

208 + 4

109 + 10

18 + 32

17-month girl shot dead in Belfast

IRA gives a 'stay away' warning to Ulster civilians

BY ROY HODSON

At the end of a day in which the IRA gun campaign continued in widely scattered areas of Northern Ireland and a 17-month-old Catholic girl was shot dead in a Belfast street, the IRA Provisionals in Dublin to-night warned people in Ulster to stay away from all public houses, hotels and business premises likely to be frequented by British troops.

The Provisionals' statement, a moving car which was seen driving away towards the border, in the peninsula's "own interest," also advised civilians to stay away from all government offices.

The baby girl was shot from a passing car while playing in Iveagh Crescent in the Falls Road area. She died soon afterwards. The gunmen were apparently shooting at an Army patrol. The girl was later named as Angela Gallagher.

Police said to-night that the killing was "without the slightest shadow of a doubt the work of the IRA."

Before dawn a British Army major, Robin Alers-Hankey, aged 21, of Southampton, was shot by a sniper in the stomach while on patrol with his men in Londonderry. To-night he was to have a reasonable chance of recovery.

NO PAROLE FOR CAHILL
In New York a three-man appeals court panel refused to release on parole the IRA Provisionals' leader Joseph Cahill pending an immigration service hearing on Tuesday on whether he should be paroled from the United States.

Cahill has been held in custody since he arrived in America at the start of a five-week fund raising tour.

He was fired upon were reported by the security authorities.

Mr. Brian Faulkner, the Ulster Prime Minister, to-night described the IRA campaign as "sickening, indiscriminate violence."

Continued on Back Page

Shops closing early
Shops are closing early—round about 4.30 p.m. The city is deserted by early evening. Few bars or clubs are troubling to remain open. City centre stores are losing business because

Continued on Back Page

the sequence of events this week leaves small room for doubt that the IRA has begun a new phase of violence in which it is prepared to kill or maim indiscriminately. Ulster people are reacting by apparently accepting that they are in a war situation. Life in Belfast during the last 48 hours has a distinctly similar air to life in British cities during the days of the German blitz.

Shops are closing early—round about 4.30 p.m. The city is deserted by early evening. Few bars or clubs are troubling to remain open. City centre stores are losing business because

Continued on Back Page

Lucas strike talks break down after six hours

BY PETER CARTWRIGHT, MIDLANDS CORRESPONDENT

UNEXPECTED deadlock was reached after nearly six hours of talks between unions and management in Birmingham yesterday to try to find a formula for ending the Lucas car component strike, which has already lasted a fortnight. After meeting at the West Midlands Engineering Employers' Association both sides went away with no prospect of a further early meeting.

The strike by 500 maintenance engineers, has shut nine component factories and made 13,000 idle. The maintenance men are demanding improved holiday pay. The management has offered a £10 supplement to each man, but this proved unacceptable yesterday, although the national executive of the Amalgamated Union of Engineering Workers, which had instructed local officials to seek fresh talks, thought it would be.

No initiative
In addition to the AUEW three other union officials representing sheet metal workers, wood workers and boilermakers.

Spoke to the AUEW three other union officials representing sheet metal workers, wood workers and boilermakers.

The strike comes at a time when the motor industry is under severe pressure from for some time to meet demand stimulated by measures to accelerate consumer spending, and it has only a few weeks of the buying season left.

The increase in commercial vehicle production is also being felt, although not so much, as the market is flat, with production schedules at some plants still falling.

One of the first car makers to take a stand is Leyland. Maria Lister, made at Oxford with a windscreen wiper motor, and Rover is in trouble with certain supplies.

Ford also is managing to maintain normal production, but nevertheless is having to re-schedule some commercial vehicle assembly programmes.

More disruption
Car makers in Coventry additionally face disruption from a series of one-day-a-week strikes by about 7,000 tool room and other skilled workers which began on Monday. These will intensify problems being created by non-co-operation and an overtime ban—measures taken in protest at the cancellation by employers of a wartime rate.

The increase in commercial vehicle production is also being felt, although not so much, as the market is flat, with production schedules at some plants still falling.

One of the first car makers to take a stand is Leyland. Maria Lister, made at Oxford with a windscreen wiper motor, and Rover is in trouble with certain supplies.

Ford also is managing to maintain normal production, but nevertheless is having to re-schedule some commercial vehicle assembly programmes.

U.S. AIRLINE MERGER
In New York last night North

West Airlines and National Airlines said they had agreed in principle to merge. The proposed basis of exchange of stock is one share of National for 0.85 of a share of North-West.

Completion is subject to adoption of detailed agreement by the Boards and stockholders of both companies, and approval of the U.S. Civil Aeronautics Board. AP

ON OTHER PAGES

Cheaper home loans on the way

BY HAROLD BOLTER

A REDUCTION in building society interest rates will be announced on October 8, it is understood. The most likely move is a drop in mortgage interest rates from 8½ per cent to 8 per cent, and a cut which would take the interest paid to investors down from 5 per cent to 4½ per cent.

It is possible, however, that the building society movement will decide to carry out some "fine tuning" around reductions of this order. In a decimal currency and computer age the societies could work to closer tolerances than adjustments of a quarter or half a per cent.

Meeting

Traditionalists within the movement, however, are likely to opt for a straightforward fall of half a per cent in mortgage rates and a quarter per cent in investment rates.

The general feeling among the societies is that they cannot persist with their present rates following the 1 per cent cut in Bank Rate. A final decision has been deferred until the next meeting of the council of the Building Societies Association on October 8.

Although withdrawals of savings from the movement were fairly high in August, a normal occurrence in a holiday month, second Minister meeting of the Group of Ten on September 26, and possibly September 25.

Repayments on a loan of £5,000 over 20 years work out at £44.03 a month with the interest rate at 8½ per cent, and over 35 years repayments would be £40.71. The comparable repayments with interest rates pegged at 8 per cent would be £42.50 and £39.00 respectively.

The present situation must be allowed to get any worse, Dr. Osella said. "We cannot allow appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Paris currency talks make slow progress

BY ADRIAN DICKS

PARIS, Sept. 3. THERE WAS no sign of a deputies had covered trade change of position by either the U.S. or any of its trading partners when the Group of Ten deputies met here to-day in the first stage of the long process of multilateral discussions on the future of the world monetary system.

The purpose of their meeting, which will continue to-morrow, is to draw up an agenda for a repetition of Washington's consistent line that the next stage of the talks will be for all these countries to adjust their own parities.

There was also some discussion on the future of the world monetary system.

It is also the first multilateral conference between the U.S. and to-day of studies by the OECD secretariat seeking to draw some preliminary conclusions from the movement of currencies since the D-Mark float of May 11 and since the general float of major currencies dating from President Nixon's package.

But the deputies do not seem to have been able to reach any common position on the lessons to be drawn. There is no sign that the Americans are any more

prepared to contemplate either de jure revaluations by other countries of the order so far produced by exchange markets, or compromise solutions involving a dollar gold price.

Disappointed

Another sign that the deputies are finding the going even slower than international monetary officials had expected was the fact that they will not alter all the arrangements to-morrow. Nor had any one transform themselves to-morrow into Working Party III of the OECD economic policy committee.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for the disappearance of world payments on both national officials are not hiding current and capital accounts, the their disappointment.

Working Party III concerns itself more with underlying

economic trends.

For the time being it does not appear to have been possible to afford further pollution of the power temperature atmosphere." Dr. Osella said that in discussing these more fundamental but

possible remedies for

Finance and the family

Children's gains and tax

BY OUR LEGAL STAFF

My mother provided some money as an investment for my four children and the shares I bought with it are now worth over £2,000. Under the new regulations exempting gains up to £500 from gains tax liability, can I now switch up to £2,000 worth (£500 x four) without incurring tax? If I give shares to my wife, would she be liable to tax?

The £500 chargeable assets realised rule applies to each member of the family except that husbands and wives count as one individual, so that you and your wife have £500 between you.

On the basis of the facts you give, you can switch £2,000 without capital gains tax liability, if that is the only disposal of chargeable assets by the children in the tax year. Different considerations would have applied if the shares are in trust, as the exemption applies to individuals only, and not to trust holdings. There is, however, one exemption for trust holdings, where the beneficiary is absolutely entitled to the property as against the trustee.

As husbands and wives are treated as one individual, transfers between husband and wife are disregarded in calculating the £500.

Joint property with daughter

Could you advise one as to how under Scottish law I may invest in the name of a married daughter so that in the event of death the money will revert to myself? If I put it into our joint names would it be legally mine if she predeceased me? What would be the estate duty position?

You could do this by simply investing or lodging money in the name of your daughter and yourself as joint owners. How this is done will depend on who you lodge the money with but your banker would advise you about it if you asked him.

If you put money into the joint names of your daughter and yourself then the effect will be that the money remains yours and you are taken to have indicated a wish that your daughter should have the money at your death. This being a testamentary

provision you may revoke it at any time. If however, you go on and tell your daughter what you have done, then you are taken to intend a pre-emptive gift and you cannot thereafter revoke it. In either case the liability for estate duty on your death is the same, but only in the second case, where you have told your daughter, would there be any liability for estate duty if your daughter predeceased you.

Compensation on mother's death

My mother was killed when a passenger in a car at the age of 57. I am 26 and she used to make me substantial gifts to help with my household expenses. My father is 73, retired and comfortably off. What sort of compensation are we entitled to?

The amount of damages which will be awarded to your mother's personal representatives in respect of her death will be a fairly nominal sum—about £500 we should estimate.

In addition to this sum, you and your father as dependents under the Fatal Accidents Acts have claims in respect of the personal loss which both of you have suffered. This will be based upon the amount which you were accustomed to receive from your mother, taking into account the time for which it is likely to have gone on being received. In estimating this loss, anything which you receive under her intestacy (or will, if she left one) will be taken into consideration.

Interest on a deposit

Nearly two years ago I purchased (in Scotland) a property subject to certain defects being put right; 10 per cent. of the purchase price was withheld as a safeguard, and placed in a joint deposit account in the names of my own and the seller's solicitors.

Some of the defects remain unrectified and I am considering a negotiated settlement giving me compensatory benefits or a reduced price. What is the position regarding interest on the deposit?

A debtor puts money on deposit 19, 1968, are free of all taxes according to the original terms of issue. Any bonds acquired after March 19, 1968, which are realised within 10 years may give rise to a surtax liability on the profit, depending upon your personal circumstances.

Insurance of trailer

My car insurance policy provides cover for third party liability in respect of a trailer while attached to the vehicle.

I am now advised that the moment the trailer becomes detached the cover ceases: in other words if I have an accident and the car goes one way and the trailer another and hits someone there is no insurance as at the precise time of hitting the other person as the trailer was not attached. Do you agree?

We think your advice is incorrect. Putting it in simple language the purpose of the motor policy is to cover your liability while your caravan is being towed, but not when your caravan is completely disconnected and, say, on a caravan site or in use as a temporary

home: the problem is how to express this in words.

Consequently if you are driving, towing your caravan, and the tow breaks, so that the caravan runs away in the opposite direction, your motor insurer will provide cover. The accident has begun to happen and your liability has begun to arise from the fact that the caravan was attached and moving and has become detached. On the other hand, should you park your detached caravan insecurely, say, on sloping ground so that it runs away, clearly your motor policy will not apply.

You can and should buy a caravan policy, for a few £s premium, perhaps from your motor insurers. This will cover damage to the caravan, its contents and your liability arising from its ownership and use.

Computation of capital gains

My mother, who died in 1962, left two flats to my father for life, one of which he occupied until his death in 1967, and the other he let. I have now to compute capital gains tax on these flats, the one he occupied having been sold.

Would it be better to do this by time apportionment, or by reference to market values on April 6, 1965?

Section 29(9) Finance Act, 1965, exempts from capital gains tax liability, any trust property sold by trustees which was the only or main private residence of a person entitled to occupy it under the terms of the trust.

It appears that your father did occupy the property to this way under the terms of a will trust.

It therefore appears that the flat already sold would be exempt from capital gains tax.

In the circumstances all that is required of you is to allocate the proportion of the probate value in 1962 which is referable to the remaining flat being sold.

In these circumstances it is unlikely to be beneficial to make an election for April, 1965

valuation of the flat being sold, since the valuation at that date would be subject to the existing tenancies which would tend seriously to reduce the value of the property as compared with the sale with vacant possession. Therefore in general terms time apportionment is likely to work to your advantage.

available for your use outside the U.K. and Eire, without paying tax in the U.K. This could be done by the bank getting its foreign correspondents to make funds available to you in the places to which you wish to go for your holiday.

What you should not do is to get the Jersey bank to send you travellers' cheques to your address in the U.K. before you go on your overseas holiday, as having the travellers' cheques in the U.K. would be a constructive remittance of the money, even though you had no intention of using the travellers' cheques here.

So far as moving to Jersey is concerned from a tax viewpoint, Jersey the tax year is the calendar year and the tax rate is 20 per cent. (after allowances) and there is no surtax on the authorised bank at the official rate of exchange.

If you need professional advice, we suggest that you consult an accountant.

You could arrange for your advice, we suggest that you consult an accountant.

In fact the average purchaser of personal insurance—on life, health, car, house, property, and so on—has very little to do with the policy he contemplates buying, to get a specimen from insurers to study at his leisure and if it need be, to compare with other similar specimen policies he obtains from other insurers.

And thereafter, if need be, he is entitled to clarification to check his policies to make sure they have obtained what they bargained for.

If the prospective policyholder does none of these things, but merely submits a

completed proposal form, the insurance broker is, how

ever, entitled to assume in his expert profession

that he is content to buy the policy

which the proposal specifically may be liable on a claim

relates. Thereafter, the insurers' professional negligence, they are entitled to reject his com-

plaints that he has not got the broker who is a mem-

ber of the Corporation or Associate

refuse his claim for rectification of Insurance Brokers or w-

of oblique exclusions or a Lloyd's broker should

conditions, until they have had most—if not all—of the an-

opportunity to consider his in the field of personal

protests, decide how far

they can be met, and whether

professional indemnity cov-

erage will be required, protect his clients if he

in the interim period until any new terms are clearly agreed, they get the right cover.

CAREERS AND EDUCATION

Executive training should begin at home

BY HAWDON HAGUE

DEAR MANAGER.—Just why are you so sure that you do not need any management training? Is the reason simple big-headedness, an inability to be objective about yourself, or have you just assumed that management training was not for you, without really thinking about it?

No doubt you have attended the odd seminar, and possibly one or two longer courses. But no doubt also, these programmes did not really apply to you since your work is rather exceptional, although they did prove that you were right on one or two management matters. If you are typical, you view training as something for other people—mainly those lower down the ladder.

Yet it is hard to believe that you would normally claim infallibility for yourself, as why should you be blind to the need to improve your methods of management? What is worse, this widespread belief that "management principles could not help me" is a root problem not only for management educators, but also for the country's economic performance.

Prove it

You may, of course, be a perfect manager. In the circumstances, however, it would be worth while proving to yourself—instead of just assuming—how good you are. There are several ways of doing so. One step would be to ask an outsider to spend a couple of days with you and, on the assumption that he would never receive another consultant's fee from you, tell you what he thought about your performance. Alternatively you could ask your colleagues which of your attitudes and actions frustrate them the most. If they say nothing positive, you would do best to assume that you are surrounded by yes-men. But if you are not, it is likely that your colleagues will mention one or two things which had not struck you as being of significance.

A different approach is to test yourself. Keep a diary for two days, recording how you allocated your time and how many interruptions you experienced. At the end of the day, list the things you accomplished, the decisions you took, and analyse the decisions by types.

Make a note of how much time you devoted to developing your staff, and note whether you took a new approach to anything or reversed a previous opinion. Also, list your major accomplishments during the past 12 months, your principal tasks for the next month, and your objectives for the coming year.

If you spend the two or three hours necessary to complete this diary exercise, you will find—at the very least—that you are the victim of circumstances. On the other hand, it is more likely that you are not managing your own days adequately or spending as much time on the important opportunities and problems as you had previously supposed.

Visit

You will probably be weak in aspects such as delegation and decision-making, both of which need coaching rather than classroom teaching. It will be a long time since somebody pointed out to you your prejudices and assumptions, and there will doubtless be some frustrations in your work that you have accepted but really should try again to remove. It would be sensible—and surprisingly easy—to visit someone in a similar job and make a report on your observations. But it would be that you have not done so recently, if ever.

You also need an appreciation of the functions of other people in your own organisation. Even if you are the chief executive, there must be functions within your company which you know little of, and giving too much or too little of scope for improvement of your work.

THE ENGINEER, folk hero of the industrial revolution, had emerged into the 20th century with a status lower in Britain than in any other industrial country. Sir Robert Cockburn, FRS, director of the Royal Aircraft Establishment until his retirement in 1969, told the Engineering section of the British Association Meeting in Swansea yesterday. Yet the engineer was the man who could rectify the most persistent weakness in Britain's economy—low productivity.

Out of this error the myth of big science had been born. The Governments of Britain and the U.S. set up large research organisations to maintain the momentum of discovery in nuclear energy, aeronautics, electronics and space. But the pace of science could not be forced in that way.

The past 25 years had produced perhaps three achievements comparable with those of the Second World War—the slender wing, the laser and the double helix.

Progress meanwhile had been made primarily on revalidating existing concepts, by engineering extrapolation and by improvements in materials and manufacturing techniques. Apollo, the moon landing, the space shuttle and the space station were all the result of this.

It took much longer, in fact, than was generally realised to harness a new scientific project. The fast breeder reactor, born in the 1940s, had only just reached the engineering stage, while fusion as a controlled source of power remained "many decades away."

Struggle

It was the image of the engineer that had been allowed to lapse rather than the practice of engineering, he intended. There was a "technological gap" between Britain and the U.S., he said, in Europe. We alone had struggled to maintain viable aeronautics, atomic and computer industries.

Did it matter, therefore, whether we credited the scientist, the technologist or the engineer with our achievements?

I think it does and that the low status accorded to the engineer is a self-inflicted wound peculiar to this country," said Sir Robert.

The wrong conclusion, he believed, had been drawn from the major wartime achievements of radar, jet propulsion, guided weapons, ballistic missiles and the atomic bomb. The scientific breakthroughs which gave enough support could continue to flow indefinitely. They were engineering developments, on many years of patient research, culminating at the point when the best use of the pressure of military demand.

The scientist's contribution to these wartime achievements had been not in basic research but in applied research, development and production, and in management.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, will further evidence from the Department of Trade and Industry witnesses.

The hearings will start at 10 a.m. each morning and will continue until 12.30 p.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at the Royal Courts of Justice, Strand, Westminster, at 10.30 a.m. on Monday, September 17. From September 20 the hearings will take place in the New Public Offices, Parliament Street, Westminster.

THE PUBLIC hearings of the Vehicle and General Tribunal, to be held at

Travel guide

East Africa is not expensive

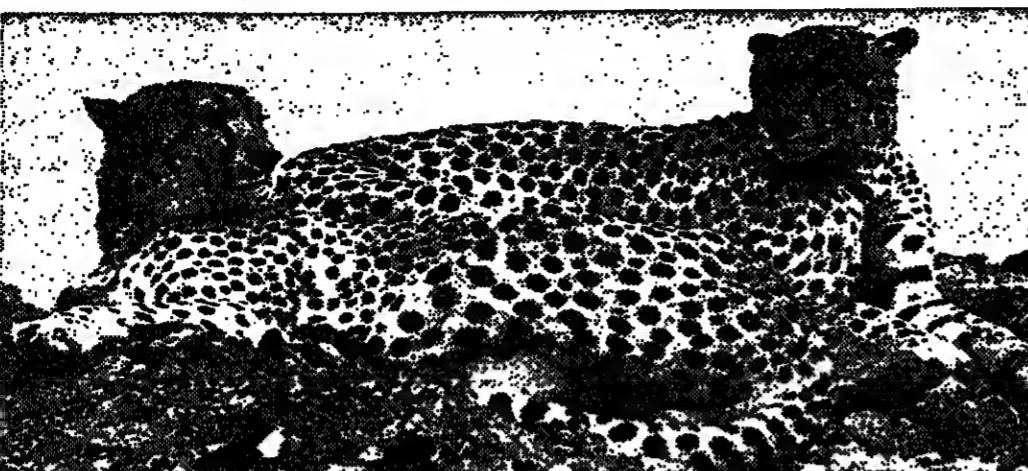
BY HAROLD CHAMPION

IF A convincing argument for using travel agents' inclusive tours be sought one need look no further than brochures dealing with East Africa. The plain fact is that the minimum return fare from London to Nairobi by scheduled airline is £307, but the most recent programme to come my way, that of Houlder Brothers who make a speciality of African holidays, quotes a minimum of £153 inclusive of travel by the identical type of aircraft used on scheduled services with accommodation, breakfast and dinner for two weeks. Lowest price for a three-week holiday is £178.

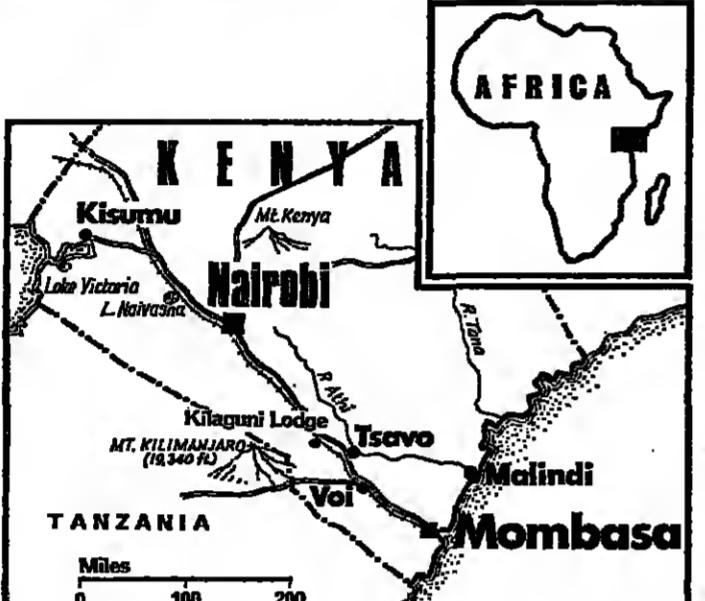
Nairobi is the most distinguished and beautiful East African city I have seen so far. September and October are ideal months for a visit: the Jacaranda trees on Kenyatta Avenue are in full blossom there and on many streets and avenues lush, exotic flowers flourish. The climate is pleasant but at this altitude, 5,500 feet, evenings can be cool. Even if your knowledge of agriculture is minimal don't miss the great Nairobi Agricultural Show if you happen to be there between September 28 and October 2.

The city does not lack good hotel and restaurants. The Panafric is a modern place (£236 a person for two weeks for two people in a double room in the Houlder Tour) but I stayed at the British owned and run New Avenue which charges 70 shillings single for bed and breakfast (17 Kenya shillings = £1), an adequate establishment with good cuisine and amusement.

Of course, of prime importance are Kenya's game reserves. One of them is virtually a Nairobi suburb, comparatively small but the haunt of many species of wildlife. The largest in the world is Tsavo, about half-way between Nairobi and Mombasa, 8,000 square miles of virgin bush, where big game roams in perfectly natural conditions. The Kilaguni Lodge, right in the centre of the reserve, is a marvellous place from which to observe strolling lion, slinking hyena and many other species coming to drink at nearby pools. All this can be seen from the Lodge verandah while reclining in a comfortable chair and sipping a cold drink. One of the more interesting sights when I was there was the



A pair of cheetah at Nairobi National Park.



HOTELS

A new spot for conferences, staff meetings, and all functions in Birmingham

The Conference Suite of the Apollo Motor Hotel is ideal for meetings of all kinds. The suite has private bar and toilet facilities and can be locked at night. Large or small parties can be catered for and the suite is also available for social functions.

Apollo MOTOR HOTEL

Box Office Tel: 836 3161.

ROYAL FESTIVAL HALL, 836 3181. Until Sept. 17. Even. 7.30. £1.50. LONDON FESTIVAL BALLET Today: BEAU DANUBE & GIGELLE. Next week: SLEEPING BEAUTY. Tickets: 50p to £1.75.

ENTERTAINMENT GUIDE

WHEN CHALLING THE BOX OFFICE FROM OUTSIDE THE CONCERT AREA. LOCAL PREFIX 01

THEATRES

AOEPLPH. 836 7611. Evenings 7.30. Tues. to Thurs. 2.30. THE MUSICAL. A LIFETIME SHOW

SHOW BOAT

With the immortal Songs of KERN and HAMMERSTEIN.

ALDWORTH. 917-172. London SE10. Hard Price. THE OLYMPIC. Tuesdays 7.30. Thurs. 2.30. ETC. THE MAN OF MODE. 1902. ETC. THE MAN OF MODE. 1902. GORKY. 836 1721. MUSICAL. STRANGERS. 836 1721. MISQUEERED. 836 1721. AMBASSADORS. 836 1721. Ev. 8.30. Tues. 2.45. Sats. 8.8. Agatha Christie's THE MOSETRAP.

NINETEEN-YEAR BREATHAKING. 836 2681. APOLLO. 837 2681. Evenings 8.0. "IF WE SEE A BETTER PLAY THIS YEAR" 837 2681. 8.00. 8.30. 8.45. FORGET-ME-NOT LANE

By PETER NICHOLS.

CAMBRIDGE THEATRE. 836 6056. Evenings 7.0. Sat. 1.0. and 7.15. Pantomime. 8.00. 8.30. 8.45. IAN MCKELLEN IN HAMLET

"The Hamlet I've been waiting to see...".

PRINCE OF WALES. 830 6881. Open Sat. 14 T.O. 8.00. ERIC SYKES. 830 6881. BIG BAD MOUSE

ALL seats bookable 50p to £1.25.

QUEEN'S. 734 1166. Evenings 8.0. "Warren Mitchell's" 8.00. 8.45. JUMP!

At Hilarious New Comedy.

ROYAL COURT. Saturday 2.00. 8.00. RALPH RICHARDSON. 1900. In JOHN OSORNE'S New Play

WEST OF SUEZ

KOVITY. 805 8004. Mon. Thurs. 8.00. 8.30. Wed. 2.30. Reduced prices 8.00. Met. Wed. 2.30. Reduced prices 8.00.

ALAN BATES IN BUTLEY

By SIMONE GRIMALDI. By SIMONE GRIMALDI. 8.00. 8.30. 8.45.

SHAW THEATRE. 836 8106. GENEVIEVE. 8.00. 8.30. 8.45.

SHAKESPEARE. 836 8296. THE GREAT STARS OF Terence Rattigan's

THEATRE. 8.00. 8.30. 8.45.

THE Jockey Club STAKES

A new comedy by WILLIAM DOWDING. 8.00. 8.30. 8.45.

SHAW THEATRE. 836 8106. GENEVIEVE. 8.00. 8.30. 8.45.

THE SHOEMAKER'S HOLIDAY

TODAY 2.30 and 7.0. Under 16s. 60p.

STRANO. 836 2650. 8.0. Sat. 8.30. 8.45. MICHAEL CHASWORTH LINDA THORSON. 8.00. 8.30. 8.45.

THE SECRETARY BIRD

SHAFTEBURY THEATRE. 836 8296. THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

DUCHESS. 836 8231. Evenings 8.0. 8.30. 8.45. THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

"Makin' A CALCUTTA" IT'S FUNNIER

THAN BOTH OF 'EM. 8.00. 8.30.

DUKE OF YORK. 836 5122. 8.00. 8.30. 8.45.

SAT. 8.00. 8.30. 8.45. THE SPUMPTUMUS MUSICAL. 8.00. 8.30.

THE GREAT WALTZ

AN evening of the greatest waltzes

HUGELY ENJOYABLE.

THE HUIGHTON

How to spend it

Music on the move

BY ADRIAN RAN

OIL PRODUCTION IN East increased by 2% this year, compared with the same period last year, according to figures from the Institute of Petroleum.

This represents a third of the total world in the period, and against a stoppage in the oil industry of 2% in Libya by November, the Gulf.

Particularly big recorders by Philips, recorded by Iran, who have 20% per cent to Saudi Arabia, and 107.5m. tonnes.

Output in Abu Dhabi, per cent, above last year, while in Kuwaiti production is 16 per cent to 73.5m. tonnes.

Rhodesia extend subversion

THE Rhodesian government has announced plans to cover its anti-white activities by outlawing the country.

A Bill, given a second reading in Parliament, also "culls out" those who have been within Rhodesia, and banning by Parliament, of organisations that "subversive Rhodesian model is on a bracket, and is for Philip's address is Century House, Shaftesbury Avenue, in the Bill covering the EEC, under the dashboard 226. London WC2H 8AS.

For about £26, you can buy

Do not try to buy the VCR-

model outside the whole-player and transmit

unit with two speakers—no a year.

Powers given to the new Bill, styled as "the organisations Bill," under emergency laws, that these are forced to be put to me. That I should be back about 3p for independence in 1970, and get my Cox's Sounds marvellous and permanently lost in fruit from it in season he reckons future years could be lost.

It has been lovingly and work out at 1p. There's

professionally cared for all year an apple tasting this weekend

rough, and another in three weeks' time.

I can do it as long as I live time.

ASONABLY near Colchester. Choose from well-known

Givers Orchard is off the road apple varieties. Initial charge

Britain will start at 1000

years old, and the outskirt of Colchester, work out from £6 for Worcester

and Spurton under £10 for

you can buy the rights to an

Peartree, to £10 and right op

Colchester. This is

the opportunity of doing your picking for two or more trees of one

gramme, and the carefully so as not to harm variety. After the first year,

will be 45p per tree, and let Oliver look harvest apples at cost price of

urgent request for it. Then freeze or pre annual service, anything from

£5.50 to £7. Write to Rupert

Knowles (alias Oliver) for

25 years including Oliver reckons that this leaflets and map. Telephone

over your tree's crop bearing hall or Birch 208 to fix a visit.

£1.2M. TRACTION LOAN FOR

THE HODGE GROUP LIMITED

As a result of the reduction in the Bank Rate to 5%

on 2nd September, 1971, the interest rates on

Deposit with the Company, as from 4th September,

1971, will be as follows:

INTEREST RATES NOTICE OF WITHDRAWAL

8% P.A. 11 Months

7% P.A. 6 Months

6% P.A. 3 Months

6% P.A. 7 days

You must, if you want music extras here. Prices go up to wherever you go, send for £106 for the full-scale, complete catalogue, called "Music in the car radio on the Move." Philips has a medium waveband and VHF-FM only excellent range on-car with 22 transistors, 15 diodes entertainment pieces. See and for laymen like me, ear them at the large show, import sound and ease of operation.

ear them at the top of Shaftesbury Avenue, heard by Princes Square.

you can manage to get there. The equipment starts to

First, you buy a radio, and if you are planning to build up your mobile music piece, which is

a tray for mounting in the car to hold your personal cassette tape recorder. So, if you have a Philips cassette tape recorder, think about it. Spend about £14 or a little more on this, fit it easily into your car, and slide your portable or indoor-use recorder into it. It lies there, safely anchored, working smartly under the dashboard through your radio speakers. The basic portable tape recorder is about £27. Battery powered away from the car, it can be connected to the car radio.

For another, the running times, which can be up to 120 minutes. And you can always go

to the start or to wherever you want to go. I noticed all this when I was so

fascinated by Philips Video Cassette Recorder. The first available model of its kind in this country, it gives cassette

recorder, and plugs into your radio. Post TV at the price of £260 for a

smart unit that is only 12½ by 33

inches high and 16 centimetres and elegantly

wide powers of sound. It's automatic push-up comes at line-TV sets. Roll on the day

of the tape's end, without ejection, when we can all have some version

of the precious cassette. This sion of this sort of

model is on a bracket, and is for

Philips' address is Century

House, Shaftesbury Avenue,

London WC2H 8AS.

For about £26, you can buy

Do not try to buy the VCR-

model outside the whole-player and transmit

unit with two speakers—no a year.

It's a cassette, and press down

the button which is

THE FINANCIAL TIMES

Established 1821
Incorporating THE FINANCIAL NEWS
Established 1854

Head Office Editorial & Advertisement Office:
BRACKEN HOUSE, CANNON STREET, LONDON, EC4P 4BY.
Telephone Day & Night: 01-248 8000. Telegrams: Finantime, London.
Telex: 886341/2, 883897
FOR SHARE INDEX AND BUSINESS NEWS SUMMARY RING: 01-248 8024
Birmingham: George Head, General Manager, 021-454 0912
London: District Bank Chambers, 01-248 8024
Manchester: Queens House, 061-233 0281
Paris: M. René du Sautet, 01-42 22 22 22
Frankfurt: 6 Frankfurter Strasse 13, 061-23 32 22 22
Brussels: 12 Rue du Commerce, 1040 Brussels, 02 247 8474
Saturday September 4 1971

Currencies and politics

BANK RATE has been reduced and controls imposed on the inflow of foreign exchange into London with one main end in view. This is to stop any major appreciation of sterling without the Bank of England having to buy more dollars for the reserves. An intensive round of international discussions has now begun, and in the coming political struggle the object of the U.S. will be to achieve the maximum appreciation of the currencies of its trading partners, while the object of the latter will be to minimise the amount by which they appreciate. It would be too pessimistic to say that we are witnessing a return to the competitive depreciations of the 1930s: but we are seeing what might be called competitive non-appreciation.

Benign neglect

European and Japanese attitudes become a little easier to understand if one bears in mind that official opinion in these countries still thinks of fixed parities as normal and of floating as a temporary aberration. Diplomatic efforts therefore centre on the attempt to relaunch the old system at a parity which will give each country the maximum margin of safety. This explanation cannot, however, be applied to the U.S. For now that the "gold window" has been shut, the U.S. has no need to worry about its balance of payments. Other countries have the option of either appreciating against the dollar or holding dollars; and there is no way in which they can cause a reserve drain on the U.S. So long as there is no early prospect of the gold window being reopened, the U.S. can safely follow a policy of "benign neglect."

There are perhaps two reasons why the U.S. does not adopt such a relaxed pose. The first is simply an intellectual time lag. American officials have for so long been used to a system of at least nominal gold convertibility, in which they have had to go round claiming that the balance of payments would be put right, that they have not got used to the new economics of the floating dollar. The second reason is more worrying. This is that the real pressures on U.S. policy, acting particularly through Treasury Secretary John Connally, are plain protectionism. It is not just a matter of overall unemployment levels. For these could be tackled by monetary and fiscal policy now that the governmental wills.

The present competitive international wrangling exhibits the disadvantages of making every economic issue a political contest. Both genuinely floating rates and genuinely fixed rates have the great advantage of reducing the political element, while the system of managed changes on which the IMF is so keen could well give us the worst of both worlds and introduce a potent new cause of international friction. The argument for market forces is not that they are perfect, but that they provide a more peaceful and objective method of adjustment than the clash of rival and fiscal policy now that the governmental wills.

Letters to the Editor

Residential mortgages

Sir.—In view of the various comments you have published on the subject of endowment versus repayment mortgages, perhaps I may be allowed to expand a little on my letter of August 9?

Mr. Fells (August 20) seems to be stating the obvious when he says that each borrower will place some value on the liquidity of his funds (what are interest rates all about?) and should be afforded the opportunity of judging for himself which method best suits his circumstances. We all seem to be agreed that the usual life office presentation can be misleading, but it is important to be aware that so can presentations such as his own. The life office presentation is at least simple and I suspect deceives only a few.

Given the limitations of varying individual circumstances, it is still desirable to explore the pros and cons from the point of view of a financial transaction. However, it is of no use to carry out sophisticated calculations if the underlying assumptions can be easily disputed. There are too many unknowns (future interest rates, life office bonuses, changes in building society rates, etc.) for such calculations to be conclusive. In particular Mr. Fells' two main assumptions that one could invest to earn 8 per cent per annum net of all taxes and that life office bonus rates would remain unchanged when taken together are at best fanciful. The purpose of my letter was to print this out and briefly to mention a more general argument depending on fewer assumptions. The logic of this argument which can be followed by any intelligent layman, is as follows:

Housing policies and building societies

Sir.—There has been a considerable expenditure of words, both spoken and written, on housing in recent weeks, largely in the context of rising house prices and the ample flow of money into building societies. These are two major problems which must now be faced, analysed and understood, to prepare a way for their ultimate solution.

First assume that conditions will continue to be such that an individual can invest in an endowment assurance to earn a higher net rate of interest (on his net outlay) than he must pay on his mortgage. In the absence of this assumption there is no argument—the repayment method must be better. However, the assumption is virtually certain to remain valid as long as the tax reliefs granted to owner occupiers and savers through life assurance are retained.

IT is not difficult to predict who will be the winners of the new soccer season. The football pool companies are off to a flying start and, given good weather, there should be no catching them.

This industry has, in fact, performed a remarkable about-turn in the past few years. After steady growth until the mid-1960s, the pools companies hit a very bad patch—ironically, largely a side result of England's success in the 1966 World Cup.

A new type of soccer, much more defensive in character, became popular and the number of low-scoring or goalless draws increased from a weekly average of just over 10 in 1960-61 to 14.5 in 1968-69. Since winning the pools largely consists of spotting draws, there was an abundance of winners but they were collecting only minute rewards. Among the smaller dividends no pay-out was made in some weeks. Instead of becoming an event, winning became a bad disappointment and punters abandoned the pools in droves.

Score-draw matches

It is easy to sympathise with the belief of Government economists that rising costs and economic recovery will between them, undermine the present buoyant trade position. Yet just as such forward projections proved too optimistic when official policy was trying to hold the rate up, they might now be too pessimistic when policy is trying to hold it down. Jeremy Bentham once remarked that if a Minister had information unique to the market, his right course would be to publish it rather than use coercion. It does not seem to have occurred to the Government that it might be better to publish its forward balance of payments projections and let the foreign exchange market judge, rather than rely on intervention and controls.

The present competitive international wrangling exhibits the disadvantages of making every economic issue a political contest. Both genuinely floating rates and genuinely fixed rates have the great advantage of reducing the political element, while the system of managed changes on which the IMF is so keen could well give us the worst of both worlds and introduce a potent new cause of international friction. The argument for market forces is not that they are perfect, but that they provide a more peaceful and objective method of adjustment than the clash of rival and fiscal policy now that the governmental wills.

Given this, that part of a man's all the others because "it allows more of your money to work for you."

T. G. Arthur
3, Yateley Road,
Edgbaston, Birmingham.

Value added tax

Sir.—John Chown, August 28, stated that VAT on imports would be collected at the point of entry. At the same time as

they are collected by H.M. Customs and Excise, but the administrative details have yet to be settled.

Finding insurance

Sir.—In his letter (August 28) Mr. King raised once again the custom of building societies insisting that borrowers insure their assets. I should have thought that the smaller amount available for investment under a repayment method could be invested in another manner and exceed the bonuses from the endowment assurance. This, however, is extremely unlikely, particularly for the average home owner with little investment expertise, simply because the yield not only has to bear that from an endowment assurance, but must do so by a very large margin to make up for the smaller amount invested.

The argument is still not conclusive, because of the possibility that the smaller amount available for investment under a repayment method could be invested in another manner and exceed the bonuses from the endowment assurance. This, however, is extremely unlikely, particularly for the average home owner with little investment expertise, simply because the yield not only has to bear that from an endowment assurance, but must do so by a very large margin to make up for the smaller amount invested.

Thus, while an endowment assurance may not prove to be the best, in many forms of investment (and only time will tell even this) in connection with a mortgage it has a head start over VAT as it is the children's party

game of passing the parcel: you don't pay a forfeit when the music starts or while it continues; only when it stops!

John Farr,
Peninsular House,
Grand Avenue,
West Worthing.

John Chown writes: This is probably the line that would be taken by H.M. Customs and Excise, but the administrative details have yet to be settled.

This statement might alarm importers, faced with the prospect of having to pay duty and VAT at the same moment. I understand, however, that although VAT may be "due" at the time of entry, it would not, in fact, become payable until the end of the current "accounting period" (that is one month or three months).

An importer would not, therefore, pay VAT "due" from him until the end of the said period.

Meanwhile, he might have sold the goods, with VAT invoiced to the purchaser, and be in a position to claim a credit from H.M. Customs for any VAT "due" from himself.

That the society can be certain that premiums are paid as

due. The custom is to debit the members directly for the sale of their "Artemis" at very high figures.

Apart from the fact that I am a depositor and have been a member of a building society I have no vested interest in the

hobbies would always rely on the sale of the building society which, damaged or not, will if generally complete a collection or illustrate a study of a period, a school, a class, etc., without having to go to a museum with the added, or human, pleasure of ownership.

With property prices rising as they are, I should have thought that your informed readers would have welcomed with open arms the facilities made available by the building societies and not grudge them making their commission from the insurance company.

W. McMillan,
Flat 31,
7 Elm Park Gardens, S.W.10.

Saleroom policy

Sir.—Referring to the art market review (August 28, Page 12) would not the restriction of salerooms activity to the disposal of very important or perfect objects of art to the exclusion of minor or damaged items, eventually bring about the fading out of art auctioneers as they exist to-day?

The Lord harewood of the future will be able to contact organisations such as "Artemis" or art loving mil-

surely there are two other points of extreme importance to the building society.

An importer would not, therefore, pay VAT "due" from him until the end of the said period.

Meanwhile, he might have sold the goods, with VAT invoiced to the purchaser, and be in a position to claim a credit from H.M. Customs for any VAT "due" from himself.

That the society can be certain that premiums are paid as

due. The custom is to debit the members directly for the sale of their "Artemis" at very high figures.

Apart from the fact that I am a depositor and have been a member of a building society I have no vested interest in the

hobbies would always rely on the sale of the building society which, damaged or not, will if generally complete a collection or illustrate a study of a period, a school, a class, etc., without having to go to a museum with the added, or human, pleasure of ownership.

With property prices rising as they are, I should have thought that your informed readers would have welcomed with open arms the facilities made available by the building societies and not grudge them making their commission from the insurance company.

W. McMillan,
Flat 31,
7 Elm Park Gardens, S.W.10.

It is high time that matters relating to pensions at retirement had the priority they deserve. Hopefully a considerable portion of our lives are spent in retirement and for one

it is the money spent particularly by the State—does not bring the return it should.

Why not take the whole matter out of the political arena and put it in the hands of pension

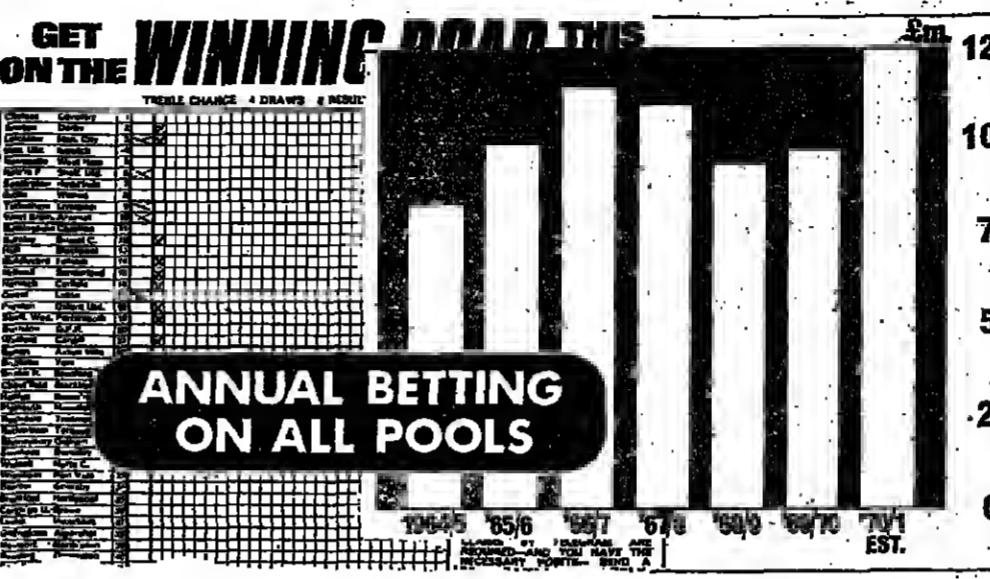
specialists?

A. J. Ferguson, Point View,
Second Teignmouth.

Last week's record first dividend on the football pools of £427,000 may soon be surpassed.

Antony Thorncroft explains the revival of the promoters' fortunes

How the pools promoters lured the punters back



Pools winner Mr. Malcolm Rees and his wife planning how to spend it. Mr. Rees was in a syndicate that won £137,421 last week, part of the record Littlewoods payout of £427,042. Another syndicate won £150,615, and a woman from Altrincham £139,006.

Australian football

What seems indisputable, however, is that the two major companies are in the strongest position for cashing in on the revived interest in the football pools. This was underlined by the bigger the jackpots—and with three-point matches harder to pin-point, the first dividends are marginally increased. To-day a punter might be staking over 35p each week on the pools.

According to David Nicholas, of Vernons, high unemployment, paradoxically, helps the larger pools companies. The unemployed man needs his dream and a pools win seems a way of solving all his problems in one go. However, some of the four smaller pools companies find that business is noticeably lower in the regions of high unemployment. Mr. J. D. H. Clarke, joint managing director of Zetters, explains it this way: "Our pools offer more chances to win than the神秘 Australian soccer; but this year the fall-away was much smaller. People are beginning to understand Australian football," says Mr. F. Jackson, an executive director at Littlewoods. More to the point, the collectors are exerting friendly pressure to keep the cash flowing. The result has been some large publicity-catching dividends which in their turn have encouraged punters. In this business, success breeds success.

Traditionally, half the investors gave up the habit rather than bet during the summer but during the summer they offer more chances to win smaller amounts, so we attract slightly higher weekly stakes from people who perhaps take their betting more seriously." The unemployed seem to prefer an all-or-nothing gamble.

Rather surprisingly, the four smaller companies (Copes, Empire, Zetters and Soccer), all with total annual stakes of less than £1m. (Soccer's is not much more than £1m.) also did well last year; the turnover of Zetters, the only public company in the industry, increased 16 per cent; that of the other three was around 8 per cent. Their running expenses might be slightly higher than those of Littlewoods and Vernons (over 34 per cent present season, which has

started in record fashion. The Vernons £1m. on computer, only problem is keeping costs (which can check coupons a month later) and cannot increase our prices like this has considerably reduced most other companies can." The the amount of manual labour financial breakdown of football required. Littlewoods, for example, has cut its labour force from 14,000 to 3,500 full-time and 3,000 part-time workers.

Despite a 12 per cent pay rise awarded last month there must eventually be cost benefits from this investment. They should begin to show through this year. With tighter controls on costs and an almost certain rise in total stake money, the football pools companies can afford to relax their traditional stony silence about their business and smile. But there is one factor they cannot control and they know it—the weather (which has, in fact, been relatively kind the past two seasons). Despite the formation of panels to evaluate results, a sustained spell of bad weather could suddenly dent what at the moment looks like a particularly successful future for the pools.

£50,000

is the amount we provided last year for research into the cause and cure of Multiple Sclerosis.

£100,000

is what we expect to have to meet this year to support research by doctors, and at hospitals, universities and research laboratories, under the guidance of our Medical Research Advisory Committee.

Multiple Sclerosis is the commonest disease of the Central Nervous System. It strikes without warning, usually in the age group 15 to 30, often paralysing limbs and affecting speech and sight. Not hereditary, infections or contagious, M.S. accounts for one-third of the young chronic sick—50,000 cases in the U.K. alone.

Research is a costly business. Without it progress is impossible. We shall be grateful for your help. If you would like to know more, please send this advertisement with your card. Any size donation will be a great help.

The Multiple Sclerosis Society,

Room FT2,

4, Tachbrook Street,

London, SW1V 1SJ.

Tel. 01-834 8231.

MEYERS NEXUS

كما من الممكن

What 5% Bank Rate means to borrowers

BY MICHAEL BLANDEN

THE WELCOME given to the moderate cut in interest rates on decision to cut Bank Rate to overdrafts; for when the agreed 5 per cent is a clear reflection of the banks on in its importance to the tenter rates ends with the introduction of England's new credit controls, will benefit. Some houses are immediately affected; considerably there is likely to be more flexibility in the cost of their ability to finance from the banks. For the consumer, the change has chip rate, available to the top quality risks in the company, and set at 1 per cent over the cost of the leading firms sector and at 1 per cent over finance, instalment credit. Bank Rate, automatically and may in time bring further reductions.

Though the domestic significance of the Bank of England's discount rate has tended to decline in recent years, it is still potentially powerful in helping to encourage both consumer spending and industrial investment.

Mortgages

The reduction has, however, also presented some major lenders with something of a problem. Not all of them, in spite of the lead given by the Government, are inclined immediately to cut the cost of their credit. Some of the instalment credit finance houses, for example, prefer to wait to see the full effect on what they have to pay for their funds.

So far the building societies, which of all the big lenders probably have the most fundamental impact on living standards, have taken a cautious line. Now, for the first time in over two years, the cost of house mortgages is likely to fall.

The most direct impact of the Bank Rate cut, and probably the one most important to industry, is on the cost of bank credit. Possibly, for the last time, it has brought an im-

portant in this field—the instalment credit companies decide to reduce their rates, industry—which accounts for a large proportion of the hire-purchase business—of industry, it has the immediate effect of considerably there is likely to be more flexibility in the cost of their ability to finance from the banks. For the consumer, the change has chip rate, available to the top quality risks in the company, and set at 1 per cent over the cost of the leading firms sector and at 1 per cent over finance, instalment credit. Bank Rate, automatically and may in time bring further reductions.

A cut of 1 per cent in interest charges on loans—currently worth some £5,000—indicates clearly that the clearing banks are clearly substantial in terms of the money involved.

It brings the cost of bank finance in the U.K., already the lowest in Europe, to levels which, particularly in a period of high inflation, should help to encourage new investment.

Industry benefits in other ways. The cut is likely to affect the cost of the money which the big banks provide for industry, usually through special subsidiaries, on longer terms than normal. The terms of these loans, up to five years, vary.

At National Westminster, for example, the rates are fixed—a flat rate of 5½ per cent for secured loans between £2,000 and £15,000, and 7 per cent unsecured. Here new borrowers may find rates lower in future.

Others, like Barclays and the Midland, however, allow their rates on these types of loan to move, linking them either directly with Bank Rate or with money market rates.

In sums of up to £1,000 over three years, from 7½ per cent to 7 per cent flat. This, worked over the average amount of the loan outstanding during the period, is equivalent to a little under 13 per cent on a true basis. Barclays, however, has negotiated with retail outlets for the time being kept the rate on Barclayloans at 7½ per cent.

Finally, if the Bank Rate cut leads to a rise in stock market rates, the cost of permanent capital for industry and commerce will also be reduced.

The consumer is perhaps less immediately affected, unless he is able to get a normal bank overdraft. So far, the response of the lenders which are most

important in this field—the instalment credit houses and the building societies—has been rather mixed, cutting the cost of their money, becoming the main medium for example, borrowing from bank lending for consumer purchases, is available at rates or personal loan tends to be which are still relatively cheap. For one thing, the Midland Bank has cut the rate they charge are related to its personal loans, available not directly to Bank Rate, but

At this stage, not all the houses for example, Forward Trust which has cut its rate from a flat 11½ per cent to 10½ per cent, compared with overdraft rates, equivalent to a true rate of between 19 and 20 per cent (while UDT is still at 11½ per cent). A man who borrows £750 to buy a new car would, after the long time they have resisted the falling trend of interest rates, the building societies are likely to follow.

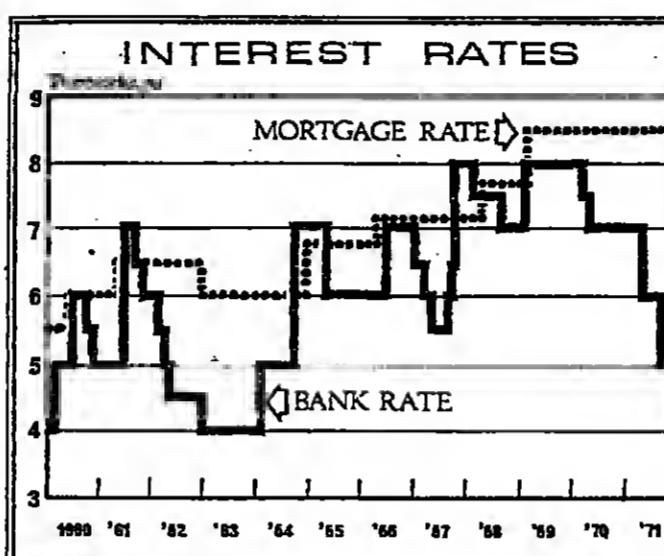
The result of keeping their rates at this level, and the rates they pay on their deposits and shares at comparable levels, has been the very large inflow of money recorded this year and the substantial rise in their liquidity ratios.

Pressure

For this they have recently come under attack. Their answer has been that they need the money. Mortgage lending this year may well exceed £2,500m. compared with nearly £2,000m. last year. Even at this level, they argue, there is no sign that the demand for mortgage finance is being fully satisfied.

Money is going out almost as fast as it is coming in, and the societies have been unwilling to cut their deposit rates (which would have to be done if mortgage rates were reduced) while the demand for lending is unsatisfied. Since the mortgage rate, bearing in mind the tax relief available, is still very low in relation to most other interest rates, they have argued, it has been better to maintain the inflow of money.

Now, however, the pressure for a reduction is likely to be too strong to resist. With Bank Rate now down to 5 per cent, home owners across the country will probably be getting their money more cheaply.



The cost of borrowing	
	% p.a.
Building Societies	8½
Mortgage rate	•
Banks	•
Overdrafts	6-9
Personal loans	13-14½
Barclaycard	12
Finance houses (standard rates)	•
New cars	20-22½
1-year-old cars	22½-24
3-year-old cars	25½-27½
Industrial plant	13½-18½

* Depending on size of loan.
Percentages quoted are true rates, taking account of the declining balance owned during the loan term. Flat rates are approx. half true rates.

in sums of up to £1,000 over three years, from 7½ per cent to 7 per cent flat. This, worked over the average amount of the loan outstanding during the period, is equivalent to a little under 13 per cent on a true basis. Barclays, however, has negotiated with retail outlets for the time being kept the rate on Barclayloans at 7½ per cent.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

The main impact for the consumer will come if others—make an appreciable difference to the cost of many purchases and personal credit.

Rates

Held at 8½%

So far, the movement has

resisted the temptation to cut

its rates. The mortgage rate

was set at 8½ per cent back

in 1969, when Bank Rate was at 8 per cent.

It has stayed at

that level through successive

reductions in Bank Rate down

to 6 per cent—before Thurs-

day's change. This maintain-

ing

the

rate

is likely to make it pos-

sible to get a bigger loan.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit.

Even so, reductions of the kind made by Forward Trust—private borrower will come if the big finance houses decide to cut the cost of their hire purchase and personal credit. </div

COMPANY NEWS + COMMENT

Kleeman growth forecast—interim up

A SATISFACTORY advance in group profits and a dividend increase of at least 2½ per cent, are foreshadowed for Kleeman Industrial Holdings in 1971 by chairman Mr. W. Kleeman.

In view of trading results to date and the prospects, the interim dividend is lifted by 2½ per cent to 12½ per cent. It has also been considered appropriate to reduce the discrepancy with the final, which is presently intended to be not less than last year's 20 per cent.

The interim statement shows that first-half profits have gone up from £248,220 to £301,180, subject to tax of £10,200 (£11,700). Pre-tax profit for all of 1970 was £331,230.

Sales progress continues both at home and in the group's large overseas business units. Kleeman reports, and he believes the second-half results should at least equal those of the first.

Referring to the merger of interests with Henry Crossey (Packings) the chairman stresses that the long-term advantages which should accrue should be substantial.

However, as pointed out last June at the time of the merger, Crossey profits for the nine months to December 31 next will be somewhat lower than might be expected from its past experience, because of reduced demand, various adjustments for inter-trading, and expenses of reorganisation.

So far as Mr. Kleeman can presently see, Crossey's contribution to group profits for that period is expected to be about £100,000.

After payment of the six months' interest on the 7½ per cent convertible issued in the Crossey acquisition, the chairman believes group profits will be a whole £100,000 less than that has been achieved in recent years.

The group operates as makers and distributors of compressed asbestos fibre jointings, gland packings, gaskets and moulded seals.

• comment

First-half results from Kleeman Industrial continue the company's impressive growth record, and the indications are the record will be further improved by the full year results. The company's indication that current half pre-tax profits will at least equal the January-June level plus annualised contributions from Crossey should give a 1971 pre-tax profit of £33,000. The share price has risen 36 per cent to 28s. The full year results, giving a fully diluted prospective p/e of around 15, which could leave scope for some improvement bearing in mind the excellent record.

Lloyd Rakusen loss

A FIRST HALF trading loss of £36,550 has been incurred by Lloyd Rakusen and Son, makers of foodstuffs, and while a small profit is foreshadowed for the second half, the full year to June 30, 1971, is expected to show a trading loss.

In these circumstances, the directors do not intend to recommend a dividend at the last payment, as the 6 per cent interim for 1968-69.

The six months loss is after a change in the basis of accounting for depreciation—using the same basis as in 1968 the loss would have been £29,635, against £37,886 for the same 1968 period.

Because of the technological advances made in the food processing industry, the directors are considering a revaluation of all plant and machinery to ascertain what provisions for obsolescence should be made. Preliminary results indicate that an additional amount of approximately £60,000 will have to be provided for a director to be responsible for the loss of office. Earnings of the highest paid director were £20,456 (£27,941). The income of the group is mainly brokerage which was

INDEX TO COMPANY HIGHLIGHTS

Company	Page	Col.	Company	Page	Col.
Acrow	13	9	Lloyd Rakusen	12	1
Ashworth and Steward	12	6	Maden & Ireland	13	8
A.V.P.	13	6	Mixconcrete	12	5
Bear Brand	13	7	Olympia	12	6
Bell (Arthur)	12	4	Pickles (W.M.)	12	4
Daly	12	5	Pittard (C. W.)	12	3
Fisher (James)	12	2	Raglan Properties	12	7
Goulding (W. & H. M.)	12	3	Toye	13	6
Hammond (L.)	12	2	Val de Travers	12	6
Kleeman Industrial	12	1	Warnford Invests.	12	4

corporated the new rates in the 1970 first half results.

The disappointing results are attributed to very difficult trading conditions, which have continued for the remainder of the year.

Statement Page 7

Jas. Fisher profit and interim up

FIRST HALF profits, before tax, of James Fisher and Sons, shipowners, shipping and forwarding agents, etc., have advanced from £18,641 to £236,881, and the directors foreshadow maintenance of a steady improvement in the second half.

The interim dividend is lifted from 4½ per cent. to 5 per cent. The 1970 total was 10 per cent, paid from pre-tax profits of £55,043.

After tax £10,000 (same), the first half net profit improved to £27,881 from £18,641.

• comment

A 44 per cent jump in James Fisher's first half profits is good going at any time, but when it is achieved in the light of rock bottom freight rates it is an outstanding performance. It was the activities allied to the shipping industry that Fisher has to thank for the growth although the specialist part of cargo handled and the long-distance nature of the business also acted as a buffer against the sharp drop in the rates. Little or no improvement has since been seen in the shipping industry and with rising costs eating into the long-term contracts Fisher will have to lean more heavily on the other interests in the second half. Therefore, profits of the order of the 1970 figure looks like the likely outcome for the year. Despite this the shares on a p/e of 5.8 at 33p still look undervalued when considering that most other shipping concerns will be in for a setback in 1971.

Hammond setback temporary

CHAIRMAN of L. Hammond and Co. (Holdings), Mr. G. Biggs, tells shareholders that the group is likely to expect this year a return to the 1970 level of pre-tax profit but the better outlook for the group's brokerage income, and in the longer term for motor underwriting, together with increased income expected from property and investments, gives him confidence that the setback is temporary and that the trading growth pattern will be resumed thereafter.

As reported on August 21, group pre-tax profits for the year to March 31, 1971, were down at £173,563 against £157,455 previously, with the dividend effectively maintained at 20 per cent. The accounts show £1,378 compensation to a director for loss of office.

Earnings of the highest paid director were £20,456 (£27,941). The income of the group is mainly brokerage which was

earned in the following currencies: Sterling £105,441 (£653,133); U.S. dollars £75,922 (£62,655); Canadian dollars £20,080 (£145,514); all other £19,305 (£160,375).

The profit fall was due to disappointing results from underwriting and less interest income because of the lower rates obtainable, Mr. Biggs explains. There has so far been no improvement in these areas in the current year.

In view of the three-year basis upon which motor underwriting profit is ascertained, the drop in the commission reflected in this year's accounts relates to the 1968 underwriting year. "And it is only fair to say that so far we can see at the present time the two following years, 1969 and 1970, are unlikely to show much, if any improvement."

Premiums have now been raised to what should be a more profitable level but it will take time for the improvement to be reflected in accounts.

More than one-third of the group's London premises is now available for sub-letting. It is anticipated that this sub-letting will produce in a full year additional pre-tax profit of not less than £50,000 after taking account of additional rent payable of £5,000.

Meeting, 14-20, St. Mary Axe, E.C., September 27 at 12.30 p.m.

Goulding puts 4% on dividend

TURNING IN profits ahead of forecast, W. & H. M. Goulding, publishers of fertilisers, manufactured its dividend for the second half by 4 per cent. to 12 per cent. for the year ended June 30, 1971, with a final of 8 per cent. A capital distribution of 5 per cent. (4 per cent.) has already been paid.

Compared with an estimate of £90,000, the group profit, before tax, emerged at £103,000. The 1969-70 figure was 57,197.

Providing for tax and minorities, the net balance comes through at £13,000 (£230,000).

Confidence at Pittard

Subject to the usual reservations, prospects of W. Pittard and Sons for the second half of 1971 would appear to be good, says the chairman, Mr. D. W. Pittard, and he is confident the group can look forward to substantial expansion over the next few years.

As known, profit before tax was £264,446, against £220,600 for the six months to June 30, 1971, although sales fell from £1,570,000 to £1,445,558.

The annual dividend is stepped up from 4 per cent. to 5 per cent. —the total in 1970 was 11 per cent on pre-tax profits of £336,544.

In the early months sales were difficult because of delays caused by the postal strike but in recent months the position has "greatly improved" and there is every indication this will continue for the rest of the year, says the chairman.

As known, profit before tax was £264,446, against £220,600 for the six months to June 30, 1971, although sales fell from £1,570,000 to £1,445,558.

The annual dividend is stepped up from 4 per cent. to 5 per cent. —the total in 1970 was 11 per cent on pre-tax profits of £336,544.

In the early months sales were difficult because of delays caused by the postal strike but in recent months the position has "greatly improved" and there is every indication this will continue for the rest of the year, says the chairman.

Provided activity in the building and contracting industry continues at the present level results for the second half will exceed those for the same period last year, they add.

W. Pickles position

The group profit, before tax, of £205,064 for 1970 was struck after a loss of £33,166 in respect of subsidiary Edward Holme and Co. (1931).

As known, after December 31 last, certain irregularities were discovered in the accounting procedures of Edward Holme, particularly in relation to stock and work in progress. The senior executives of this company have now left, state the directors. The auditors have reported that they can place no reliance on the valuation of stock and work in progress either at the beginning or the end of the year, and are, therefore, unable to certify the trading loss for the year.

In his annual statement with the full accounts, the WP chairman, Mr. William Pickles, tells the members of the accountants' investigation into Edward Holme now reveals that this company has been trading at a loss for at least two years.

As known, profit before tax was £264,446, against £220,600 for the six months to June 30, 1971, although sales fell from £1,570,000 to £1,445,558.

The annual dividend is stepped up from 4 per cent. to 5 per cent. —the total in 1970 was 11 per cent on pre-tax profits of £336,544.

In the early months sales were difficult because of delays caused by the postal strike but in recent months the position has "greatly improved" and there is every indication this will continue for the rest of the year, says the chairman.

Provided activity in the building and contracting industry continues at the present level results for the second half will exceed those for the same period last year, they add.

Results due next week

After a week shortened by the Bank Holiday the company results season gets in full swing again next week with announcements expected from several major companies including British Petroleum, Tube Investments and Transport Freighters.

British Petroleum has until recently been the outstanding performer in a buoyant oil sector this year which is hardly surprising given first quarter earnings up 95 per cent. at £43.9m. against 90.8m. for the whole of 1970. But this improvement cannot really be annualised as the oil sector is not yet in a producer-country position to allow a full year's earnings to come through in the second three months. Shell's second quarter earnings gain of 15.7 per cent. does, however, have bullish implications for the BP half-year figures, due on Thursday.

Backed with GKN as an inflation-resistant blue-chip Tube Investments' shares have also been a strong market this year. But the annual report made it clear

that Tubes would have its work cut out this year to match the 1970 figure of £23.2m. before tax, and Rolls-Royce provisions. The main problem is the deteriorating market background in both the steel and aluminium divisions which were in decline in the second half of last year.

The interest in the interim figures (expected on Wednesday), is whether consumer goods will provide sufficient buoyancy to offset the heavy end.

Prestripi Development may also face problems in the short term with the first three-months' profit margin falling less than last year, though for 1971 as a whole the prospects are for growth as usual. In 1970 pre-tax profits rose 25 per cent. to £8.38m. (cum £291,000 from acquisitions) with the dividend effectively maintained at 20 per cent.

The accounts show £1,378 compensation to a director for loss of office.

Earnings of the highest paid director were £20,456 (£27,941). The income of the group is mainly brokerage which was

est in the current year. This compared with the earlier impression of a rising profit trend with volume on the upgrade and some upward price movement as well. However, the group has a habit of being conservative.

Associated Dairies is expected to report its preliminary figures on Wednesday from both Steetley and British Epsilon. In 1970 Steetley managed a 20 per cent. pre-tax profit to £6.35m. cum £0.43m. from six months of the recent Berk acquisition. What is more a further advance in anticipated for the current year and any fears expressed by the chairman, Mr. D. W. Pittard, and he is confident the group can look forward to substantial expansion over the next few years.

As known, profit before tax was £264,446, against £220,600 for the six months to June 30, 1971, although sales fell from £1,570,000 to £1,445,558.

The annual dividend is stepped up from 4 per cent. to 5 per cent. —the total in 1970 was 11 per cent on pre-tax profits of £336,544.

In the early months sales were difficult because of delays caused by the postal strike but in recent months the position has "greatly improved" and there is every indication this will continue for the rest of the year, says the chairman.

Provided activity in the building and contracting industry continues at the present level results for the second half will exceed those for the same period last year, they add.

Val de Travers interim up

Against last year's pre-tax profit of £21,490, Val de Travers Asphalte (Suisse) reported a net profit of £18,700 for 1970.

The net profit was £1,300, the last payment was £1,000 per cent.

The chairman refers to the possible development of the Olympia site which, though a forecast of profits cannot be hazarded at the moment, might well prove of significance.

As reported on August 19, pre-tax profit for the year ended March 31, 1971, was £44,170 (£48,726) with a dividend of 31 per cent. (same).

The chairman refers to the possible development of the Olympia site as a very important matter which engages the Board's constant attention.

The issues he explains are complex and it would be wrong, therefore, to indicate that a specific finality might speedily be achieved.

Provided activity in the building and contracting industry continues at the present level results for the second half will exceed those for the same period last year, they add.

W. Pickles position

Against last year's pre-tax profit of £21,490, Val de Travers Asphalte (Suisse) reported a net profit of £18,700 for 1970.

The net profit was £1,300, the last payment was £1,000 per cent.

This is again no dividend, the last payment was £1,000 per cent.

The chairman refers to the possible development of the Olympia site which, though a forecast of profits cannot be hazarded at the moment, might well prove of significance.

As reported on August 19, pre-tax profit for the year ended March 31, 1971, was £44,170 (£48,726) with a dividend of 31 per cent. (same).

The chairman refers to the possible development of the Olympia site as a very important matter which engages the Board's constant attention.

The issues he explains are complex and it would be wrong, therefore, to indicate

WALL STREET + OVERSEAS MARKETS + LATEST PRICES

Strong and active—up 12.12

BY OUR WALL STREET CORRESPONDENT

RENEWED INTEREST sent Wall Street widely higher today, with the unchanged outlook for the economy again cited as the major advance.

The Dow Jones Industrial Average apertured 12.12 to 912.75, for a net rise of 4.50 on the week, while the NYSE All Common Index, at 555.65, rose 76 cents on the day and 14 cents on the week. Volume stood ahead by 3,356 shares to 14,194,000, while 1,000 led declines by 1,106 to 329.

Several factors helped the Stock Market advance, including General Motors' statement that its 12.3 per cent rise in car sales in late August indicated "consumer confidence is growing and being translated into consumer buying."

Speculation that the bank may soon cut the prime rate was also cited. A small Arizona bank did cut its prime rate to 5.4 per cent for the duration of the wage-price freeze.

Analysts said strength in the 24 cents

Bond Market and short covering ahead of scheduled speeches by President Nixon will additionally aid the advance.

President Nixon plans to speak in Chicago to-night and has a radio broadcast scheduled for Labour Day on Monday, when all U.S. and Canadian markets will be closed.

Next week as Congress returns to Washington there is some speculation additional tax cuts or increased social security benefits, may be approved.

Motors were strong, buoyed by their late August sales figures. General Motors added \$2 at \$83. Ford \$1 at \$70.

In the Airline Group Transworld gained \$1.10 to \$32.30. Western Air to \$1.10 to \$32.00. National and Northwest closed National and Northwest announced plans to merge.

The American SE Index rose 21 cents to \$15.51, for a net rise of 10 cents and Industrials, up 1.13, and Industrials, up 0.93.

Hudson's Bay Oil and Gas rose \$1.14, Falconbridge Nickel & Gas, \$1.14, Seagrams \$1.14, and Canadian Pacific Investment Preferred \$1.14 at 25.

MILAN—Mixed with selected Industrials and Insurances relatively. Insurances steadied.

Bonds were irregular.

SWITZERLAND—Markets closed steady, although Chemicals were slightly mixed in quiet dealings while small gains predominated in Metals and Engineers.

Stocks continued firm.

BRUSSELS—Quietly mixed, with Foreign stocks leading firms. Prescribed Brand featured firm Golds.

PARIS—Generally more resistant, in the absence of any specific new factors influencing trading. Oils moved higher. Citroen rose Frs.1.30 on its expectation to balance its accounts this year. Banks and Investments eased.

Foreign issues irregular. Golds improved.

STOCKHOLM—Irregular trend. JOHANNESBURG—Golds and Minerals. Financials were firm. London interest was noted, although it was not as much as expected.

Platinum were mixed, while Coppers were dull, mainly due to a shortage of scrip on offer. Industrials narrowly mixed.

TOKYO—Mixed, with an easy upturn. Volume 180m (230m.) shares.

There was selective interest in Foods, Beverages and Leisure items. Electricals were lower.

AUSTRALIA—Mining shares were featureless with no definite trends. Oils were firm and Industrials stronger.

New BH lost 10 cents to \$9.40 but Bongainville firm 3 cents to \$2.88. Peko Wallsend added 10 cents at \$8.90, but Pancontinental lost 7 cents to \$1.18. Queensland Mines declined 20 cents to \$5.50 and Kathleen Industrial 5 cents to \$3.90. Selsic firm 5 cents to \$1.70, but Pacific Copper fell 10 cents to \$1.70 and Posedon slipped 50 cents to \$20.50.

In Oils, Woodside edged up 4 cents to \$1.29.

Amoog Industries, Philip Morris rose 10 cents to \$8.50. Email added 3 cents at 80 cents to its interim result. Yarral Falls lost 12 cents to \$1.38 on its reported loss.

JOHANNESBURG—Index 183.12, 182.45, 183.02 (20.4) 172.83 (22.21)

IND. DIVIDEND YIELD p.c.

Sept. 3 Sept. 11 1971

Sept. 21 Aug. 21 1970

3.51 3.62 4.22

N.Y. SE ALL COMMON INDEX Det. 1971

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

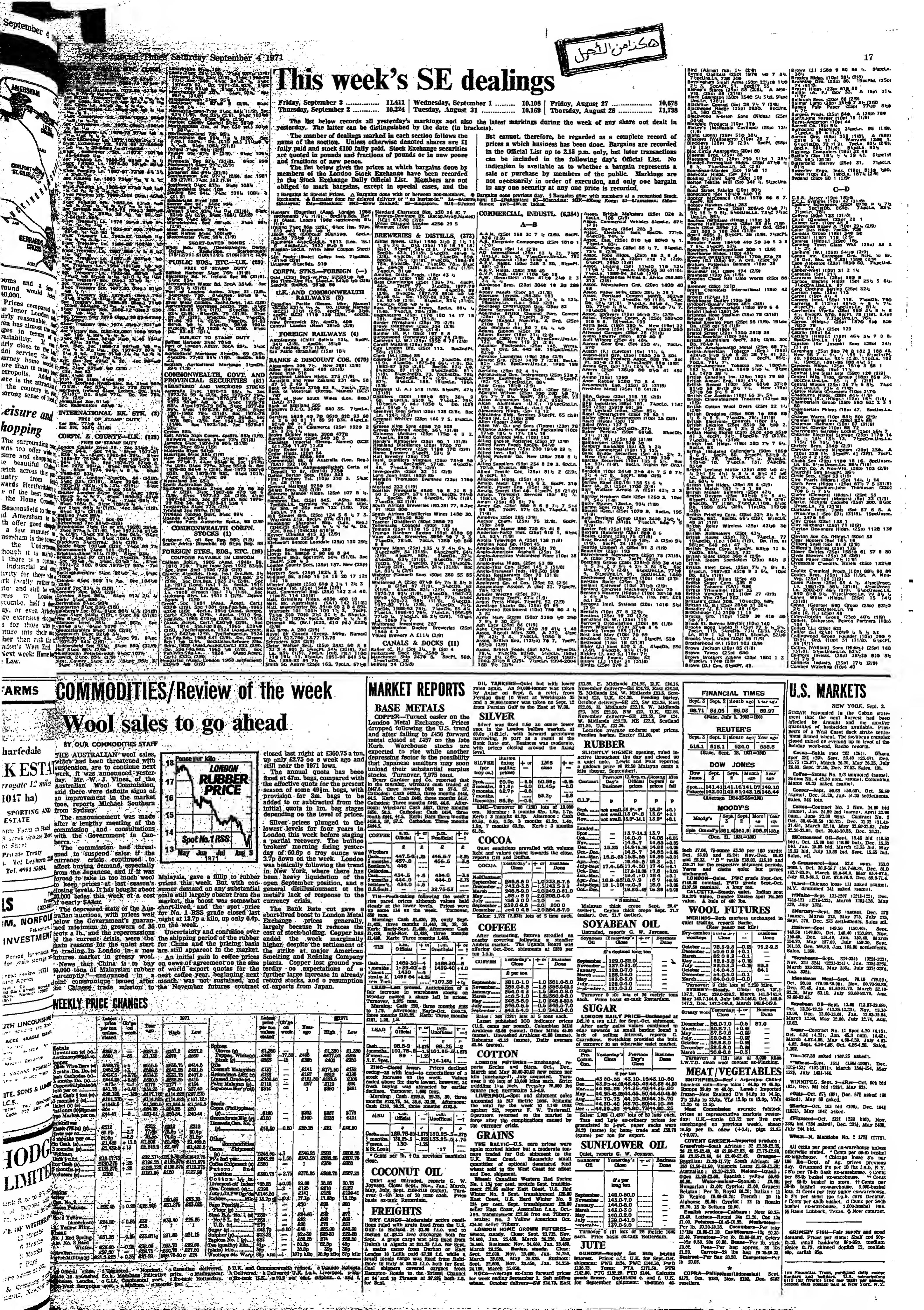
High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 550.82 128.59 —

1971 F.R. Thurs. Wed. Tues. Mon. Aug. 27 1971

High 7.88 249.59 550.82 128.59 —

Low 7.88 249.59 55



Combined English Stores Group (125p)		Spica Minerals (25p) 1426 10 4 1 2	Initial Services (25p) 70% 1. Spec. 74	Monte Contractors (25p) 80 1. Spec. 440	Ruby Portland Cement (25p) 1420 2 3c	Vantone (25p) 44 5. Spec. 820	London St. Lawrence Inv. (25p) 114 314
Cottons (125p)		Faygo Brothers Clothing (25p) 180 70%	Intel. Combustion Africa (10.80) 1400 151	Monsanto Textiles Spec.Pt. (25p) 630 5	Arrow (Holds) (25p) 34 3110	London St. Lawrence Inv. (25p) 114 314	
Cottons (125p)		Faygo Brothers Clothing (25p) 180 70%	Intel. Combustion Africa (10.80) 1400 151	Montefeltro (Kittting Mills) (25p) 60	London Electrical Ind. (25p) 225 32		
Cottons (125p)		Foster John (25p) 37% 7	Intel. Computer Ass. Corp. (25p) 130%	Moore Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Foster John (25p) 37% 7	Intel. Computer Ass. Corp. (25p) 130%	Motor Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Fram Group (10p) 1310% 14	Intel. Computers (Holds) (25p) 70% 1	Moore Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Fram Group (10p) 1310% 14	Intel. Computers (Holds) (25p) 70% 1	Motor Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Fremantle (London) (25p) 1540 60 30	Intel. Computers (Holds) (25p) 70% 1	Motor Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Fremantle (London) (25p) 1540 60 30	Intel. Computers (Holds) (25p) 70% 1	Motor Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Fruit Prod. Exchange G.B. (15p) 10%	Intel. Publishing Corp. Spec.Pt. 750	Motor Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		Futura Hldgs. (35p) 37 1/2	Intel. Publishing Corp. Spec.Pt. 750	Motor Stores (25p) 30% 1. Spec. 460	London Gen. Inv. (25p) 125 32		
Cottons (125p)		G & M Power plant (20p) 98 1. Spec. 100% 125% 200% 250% 300% 350% 400% 450% 500% 550% 600% 650% 700% 750% 800% 850% 900% 950% 1000% 1050% 1100% 1150% 1200% 1250% 1300% 1350% 1400% 1450% 1500% 1550% 1600% 1650% 1700% 1750% 1800% 1850% 1900% 1950% 2000% 2050% 2100% 2150% 2200% 2250% 2300% 2350% 2400% 2450% 2500% 2550% 2600% 2650% 2700% 2750% 2800% 2850% 2900% 2950% 3000% 3050% 3100% 3150% 3200% 3250% 3300% 3350% 3400% 3450% 3500% 3550% 3600% 3650% 3700% 3750% 3800% 3850% 3900% 3950% 4000% 4050% 4100% 4150% 4200% 4250% 4300% 4350% 4400% 4450% 4500% 4550% 4600% 4650% 4700% 4750% 4800% 4850% 4900% 4950% 5000% 5050% 5100% 5150% 5200% 5250% 5300% 5350% 5400% 5450% 5500% 5550% 5600% 5650% 5700% 5750% 5800% 5850% 5900% 5950% 6000% 6050% 6100% 6150% 6200% 6250% 6300% 6350% 6400% 6450% 6500% 6550% 6600% 6650% 6700% 6750% 6800% 6850% 6900% 6950% 7000% 7050% 7100% 7150% 7200% 7250% 7300% 7350% 7400% 7450% 7500% 7550% 7600% 7650% 7700% 7750% 7800% 7850% 7900% 7950% 8000% 8050% 8100% 8150% 8200% 8250% 8300% 8350% 8400% 8450% 8500% 8550% 8600% 8650% 8700% 8750% 8800% 8850% 8900% 8950% 9000% 9050% 9100% 9150% 9200% 9250% 9300% 9350% 9400% 9450% 9500% 9550% 9600% 9650% 9700% 9750% 9800% 9850% 9900% 9950% 10000% 10050% 10100% 10150% 10200% 10250% 10300% 10350% 10400% 10450% 10500% 10550% 10600% 10650% 10700% 10750% 10800% 10850% 10900% 10950% 11000% 11050% 11100% 11150% 11200% 11250% 11300% 11350% 11400% 11450% 11500% 11550% 11600% 11650% 11700% 11750% 11800% 11850% 11900% 11950% 12000% 12050% 12100% 12150% 12200% 12250% 12300% 12350% 12400% 12450% 12500% 12550% 12600% 12650% 12700% 12750% 12800% 12850% 12900% 12950% 13000% 13050% 13100% 13150% 13200% 13250% 13300% 13350% 13400% 13450% 13500% 13550% 13600% 13650% 13700% 13750% 13800% 13850% 13900% 13950% 14000% 14050% 14100% 14150% 14200% 14250% 14300% 14350% 14400% 14450% 14500% 14550% 14600% 14650% 14700% 14750% 14800% 14850% 14900% 14950% 15000% 15050% 15100% 15150% 15200% 15250% 15300% 15350% 15400% 15450% 15500% 15550% 15600% 15650% 15700% 15750% 15800% 15850% 15900% 15950% 16000% 16050% 16100% 16150% 16200% 16250% 16300% 16350% 16400% 16450% 16500% 16550% 16600% 16650% 16700% 16750% 16800% 16850% 16900% 16950% 17000% 17050% 17100% 17150% 17200% 17250% 17300% 17350% 17400% 17450% 17500% 17550% 17600% 17650% 17700% 17750% 17800% 17850% 17900% 17950% 18000% 18050% 18100% 18150% 18200% 18250% 18300% 18350% 18400% 18450% 18500% 18550% 18600% 18650% 18700% 18750% 18800% 18850% 18900% 18950% 19000% 19050% 19100% 19150% 19200% 19250% 19300% 19350% 19400% 19450% 19500% 19550% 19600% 19650% 19700% 19750% 19800% 19850% 19900% 19950% 20000% 20050% 20100% 20150% 20200% 20250% 20300% 20350% 20400% 20450% 20500% 20550% 20600% 20650% 20700% 20750% 20800% 20850% 20900% 20950% 21000% 21050% 21100% 21150% 21200% 21250% 21300% 21350% 21400% 21450% 21500% 21550% 21600% 21650% 21700% 21750% 21800% 21850% 21900% 21950% 22000% 22050% 22100% 22150% 22200% 22250% 22300% 22350% 22400% 22450% 22500% 22550% 22600% 22650% 22700% 22750% 22800% 22850% 22900% 22950% 23000% 23050% 23100% 23150% 23200% 23250% 23300% 23350% 23400% 23450% 23500% 23550% 23600% 23650% 23700% 23750% 23800% 23850% 23900% 23950% 24000% 24050% 24100% 24150% 24200% 24250% 24300% 24350% 24400% 24450% 24500% 24550% 24600% 24650% 24700% 24750% 24800% 24850% 24900% 24950% 25000% 25050% 25100% 25150% 25200% 25250% 25300% 25350% 25400% 25450% 25500% 25550% 25600% 25650% 25700% 25750% 25800% 25850% 25900% 25950% 26000% 26050% 26100% 26150% 26200% 26250% 26300% 26350% 26400% 26450% 26500% 26550% 26600% 26650% 26700% 26750% 26800% 26850% 26900% 26950% 27000% 27050% 27100% 27150% 27200% 27250% 27300% 27350% 27400% 27450% 27500% 27550% 27600% 27650% 27700% 27750% 27800% 27850% 27900% 27950% 28000% 28050% 28100% 28150% 28200% 28250% 28300% 28350% 28400% 28450% 28500% 28550% 28600% 28650% 28700% 28750% 28800% 28850% 28900% 28950% 29000% 29050% 29100% 29150% 29200% 29250% 29300% 29350% 29400% 29450% 29500% 29550% 29600% 29650% 29700% 29750% 29800% 29850% 29900% 29950% 30000% 30050% 30100% 30150% 30200% 30250% 30300% 30350% 30400% 30450% 30500% 30550% 30600% 30650% 30700% 30750% 30800% 30850% 30900% 30950% 31000% 31050% 31100% 31150% 31200% 31250% 31300% 31350% 31400% 31450% 31500% 31550% 31600% 31650% 31700% 31750% 31800% 31850% 31900% 31950% 32000% 32050% 32100% 32150% 32200% 32250% 32300% 32350% 32400% 32450% 32500% 32550% 32600% 32650% 32700% 32750% 32800% 32850% 32900% 32950% 33000% 33050% 33100% 33150% 33200% 33250% 33300% 33350% 33400% 33450% 33500% 33550% 33600% 33650% 33700% 33750% 33800% 33850% 33900% 33950% 34000% 34050% 34100% 34150% 34200% 34250% 34300% 34350% 34400% 34450% 34500% 34550% 34600% 34650% 34700% 34750% 34800% 34850% 34900% 34950% 35000% 35050% 35100% 35150% 35200% 35250% 35300% 35350% 35400% 35450% 35500% 35550% 35600% 35650% 35700% 35750% 35800% 35850% 35900% 35950% 36000% 36050% 36100% 36150% 36200% 36250% 36300% 36350% 36400% 36450% 36500% 36550% 36600% 36650% 36700% 36750% 36800% 36850% 36900% 36950% 37000% 37050% 37100% 37150% 37200% 37250% 37300% 37350% 37400% 37450% 37500% 37550% 37600% 37650% 37700% 37750% 37800% 37850% 37900% 37950% 38000% 38050% 38100% 38150% 38200% 38250% 38300% 38350% 38400% 38450% 38500% 38550% 38600% 38650% 38700% 38750% 38800% 38850% 38900% 38950% 39000% 39050% 39100% 39150% 39200% 39250% 39300% 39350% 39400% 39450% 39500% 39550% 39600% 39650% 39700% 39750% 39800% 39850% 39900% 39950% 40000% 40050% 40100% 40150% 40200% 40250% 40300% 40350% 40400% 40450% 40500% 40550% 40600% 40650% 40700% 40750% 40800% 40850% 40900% 40950% 41000% 41050% 41100% 41150% 41200% 41250% 41300% 41350% 41400% 41450% 41500% 41550% 41600% 41650% 41700% 41750% 41800% 41850% 41900% 41950% 42000% 42050% 42100% 42150% 42200% 42250% 42300% 42350% 42400% 42450% 42500% 42550% 42600% 42650% 42700% 42750% 42800% 42850% 42900% 42950% 43000% 43050% 43100% 43150% 43200% 43250% 43300% 43350% 43400% 43450% 43500% 43550% 43600% 43650% 43700% 43750% 43800% 43850% 43900% 43950% 44000% 44050% 44100% 44150% 44200% 44250% 44300% 44350% 44400% 44450% 44500% 44550% 44600% 44650% 44700% 44750%					

CANADIANS

NET SHARE INFORMATION SERVICE



THE LEX COLUMN

Crosscurrents in equities and gilts

Index fell 1.4 to 417.5

MAN OF THE WEEK

Too much emphasis on science

BY DAVID FISHLOCK

REALIST or quisling? The point will surely be fiercely debated to the bitter end of this year's British Association meeting in Swansea, which on Wednesday evening heard its new president, Sir Alec Cairncross, sound a clear warning that Britain should concentrate more on technology and less on science.

It could be injurious to economic development, he told the assembled scientists bluntly, for Britain to try to educate as scientists a greater proportion of its top talent. Those who put their faith in science as a means of economic salvation exaggerated its importance and underestimated the importance of unformulated knowledge, "of skill born of experience, of insight and perseverance in grappling with the unforeseen, of inventiveness and imagination in design."

Sound, sensible stuff, you may say. But not—unfortunately—the sort of stuff to which the BA is accustomed from its president. But where previous presidents invariably have been eminent scientists, Fellows of the Royal Society, Sir Alec is an economist, an inexact scientist as fellow economist called the profession the following day.

Saving words

In fact, Sir Alec's own words next morning evoked a howl of despair from one newspaper which took his remarks as no more than a reflection of present Government policy, from an "aging economist"—he is 60—who since 1940 has worked mostly in Whitehall. Yet those words may yet help to save the BA from oblivion. This body, whose curious habit of starting its famous eight-day annual meeting in mid-week is said to go back to the days when its members were country parsons, willing to relinquish the pulpit for a single Sunday but not for two, is fonderly financial. Nor, at least for the other 51 weeks of the year, can it claim to exert any noticeable influence on the course of events in science.



The week has seen the equity reshuffle against the inflation market refusing to break out beneficiaries. The cut in Bank upwards and continuing its six-week-old consolidation under reminder that the basic material of the banks, short-term money, quite significant reshuffle during the July peaks. Meanwhile a of the banks, short-term money, is in oversupply; and the fact that the situation will endure the account between the main types of sector is neatly symbolised by the differing performances of the various major indices. Thus the FT 30 share index's break into new high ground last week was followed this week by a tiny penetration of the July high by the 495 share index of industrial shares (the one excluding oil), while the 500 and all-share indices have hung shyly back.

It is of course the oils and the financial sector which have been restraining the all-share index, and the extremes of behaviour within the sectors over the account are illustrated by an 8 per cent rise in the aircraft sector and a 4 per cent fall in the banks. However, good relative performances in breweries (up 4 per cent relative to the all-share) and stores show that this is not merely

Battle Honours

Trafalgar House dipped to 110p on August 10 (against a 1071 high of 134p) after it won Cunard; Grand Met's success with Truman took it down to 17p (high 197p) a fortnight later. That was as expected, given the risk element in the former takeover, and the sheet price paid for the latter. Yet last night we saw TH at 200p, up 17p in two days, at 200p. The TH warrants part of the Cunard bid, went to 47p in yesterday's opening dealing which must have been nice for the gamblers in Cunard assented; the effective price for Cunard is now 233p a share against around 200p when the bid was accepted. Meanwhile, the GM performance will be reassuring for Watney and Whitbread, with large blocks of GM stock to place.

AVP Industries

Since July's results, with pre-tax profits up 14 per cent to £1.7m. for 1970-71, AVP Indus-

tries has slipped back to 110p what past pruning is now achieved. The final prop for the shares is a Board valuation of 11, investment properties which down a point or so to 11, investment properties which even in a poor year, which implies that the UK market was by no means devoid of growth even in a poor year.

The post-1973 growth arguments remain unchanged with doubled Homeworth furniture capacity taking the manufacturing division's contribution from this source to nearer two-thirds from the present 50 per cent of profits, and a new (550-room) hotel in Central London making an initial impact. But the point the accounts now make is that AVP is not necessarily a standstill situation until then for there is a forecast of a further

prospects for the latter.

The property activities are set

for another no-growth year.

The push is once again coming from manufacturing and the service side, watch wholesaling and horological spares and tools.

Loss elimination should lift the

in each of the three previous

years. Given an historic p/e of 23.2 at 211p, a new high for the "A" shares, the market

appears to be counting on an

acceleration in the current year.

Several points in the report

support the optimistic line.

Thus, it turns out that last year

we quite a margin squeeze,

with a pre-tax figure of 13.3

per cent after a 21 per cent

sales rise. Since margins were

still at around 14.5 per cent,

including 14.5 of loan stock

for the stock market, the

former by around £90,000 pre-

tax following the termination of

recovery is indicated. Secondly,

Parlswor Furniture, while the

1 per cent rise in the export

perhaps, but at these prices,

widened by a third—reflects more modest than suggested like a practical proposition.

earlier in the year, which implies that the UK market was by no means devoid of growth even in a poor year.

Now is there much danger that the home market will hold the group back this year, for

Acrow has been getting the benefit of much improved demand from the construction industry. On the basis of an excellent record, good trading prospects and a strong balance sheet, the medium term arguments for the shares look solid.

Reed/Twyfords

Twyfords' market performance yesterday, up 1p to 116p, hardly suggested that it had

another shot in its locker after Glynwedd's increased bid of 121p on Thursday. That left a count-

er of 17, the alternative, and Reed International obligingly, has come up with one—132p

including 14.5 of loan stock for

the stock market, the

former by around £90,000 pre-

tax following the termination of

recovery is indicated. Secondly,

Parlswor Furniture, while the

1 per cent rise in the export

perhaps, but at these prices,

widened by a third—reflects more modest than suggested like a practical proposition.

Capital Choice

£67m

LEEDS &

HOLBECK

BUILDING 2000FT

HEAD OFFICE: HOLBECK HOUSE

105, ALBION ST, LEEDS LS1 5JY

TELE: 01-223 3223

BUSINESS

Kelly

to see

Mind

on U

to

play

brighter

variable

becoming

N.W.

light

Normal

Max

18C (8

Rest of Scotland

Slowers—locally heavy

spells

later

Wind

S.W.

England

E. Anglia

C.

Iles

dry, sunny spells

later

Wind

W.M.

24C (7F)

S.W. Wales

Midlands

E. C.

N.E. England

C.

Cloudy

Rain

W.M.

18C (6F)

Rain at times

brighter and mainly dry

variable

becoming

N.W.

light

Normal

Max

18C (6

HOTEL RESORTS

Yester

Mid-day

MID-day

C

P.M.

Istanbul

18C (6F)

Paris

18C (6F)

Prague

18C (6F)

Rome

18C (6F)

London

18C (6F)

Paris

18C (6F)

Istanbul

18C (6F)

Paris

18C (6F)